App. F. IX-4

Previous References.

Irr. 311-48-1-9
Ind. 184-54-1-2

Later References.

1954. (Ind.)

File No. 184-54.

Serial Nos. 3-4.

MYSORE GOVERNMENT SECRETARIAT

Serial Nos. To only

Part B for May 1956.

SUBJECT

R.E.M.Co. Ltd. — Write off of deferred revenue expenditure.

WD 06701—GPB—25,000—11-8-54

G.O. No. I. 452-3.

D. 30.4/25-56.

The Chairman & Mg. Dir.,
R E M Co.
The A. G. through F. D.

Approves the action taken by the company in the matter.

C.V. Rajarao
23/5/56

Deferred Revenue Expenditure - Writ Write off. Manufacture of Energy Meter

Letter No. A/DS/M-4 dated 23-1-1956 from the Secretary REMCo. Ltd inviting reference to G.O. No. D 167-9 Ind 184-54-2 dated 11-4-55 approving the write off of deferred revenue expenditure leasing for a period of five years and requesting orders under the circumstances stated the write off of the entire amount during the year 1954-55.

1. Submitted for perusal.

2. The connected previous collections is placed below with the REMCo's letter dated 26-1-54 and the G.O. No. D 167-9 Ind 184-54-2 dated 11-4-55 referred to in the PUD, being flagged H + G resly.

3. It may be seen in the G.O. referred to that write off of the Deferred Revenue expenditure is approved, this being spread over for a period of 5 years w.r. to paras 4-6 and 10.

4. It is now reported by REMCo that in accordance with the A.G's opinions that such fictitious items should be so written off, as expeditiously as possible and their letter addressed to this office (flag H), proposing for writing off of the expenditure depending upon the profits earned by the Section, that full amount was written off during 1954-55 itself.

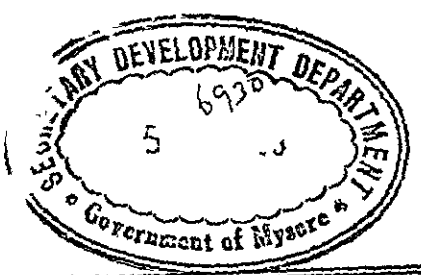
5. Approval of Govt is requested. for the action taken by them in this behalf.

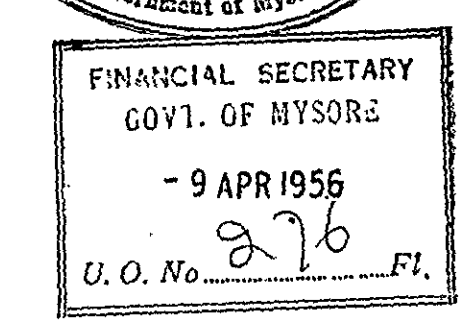
MEM Co. Ltd. - Write off of Deferred Revenue Expenditure

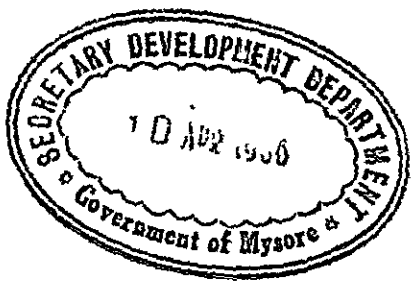
4622/9.

6. Submitted for orders in consultation with the Fin. Sect. It is stated that the Energy Meter Section still earned a net profit of Rs 20051 after having written off the entire amount of deferred Revenue Expenditure.

7 May be appd with FD's Concurrence.







10.

11.

12. Submitted with a draft GO for appl.

Draft for appl.

Issue

Fair copies of G.O's are submitted for Communication to A.G. Mysore & D.

30/4/56.

RE Recd Urd- Write off of deferred Revenue Expenditure.

— —

Com — 758

2/5

2/5

Ch

2/5/56

2/5

Issued order no. 9. 652-3 dt. 30.6.56 / 2.5.56.

To The chairs & mag. Om
Rem.
The A.G. the - 7-0

Approves

IB.

18/5/1956.

18/5

Dnd. 184-54-3

Radio & Electricals Manufacturing Co. Ltd.

CODES: ABC
6TH EDITION BENTLEYS'
TELEGRAMS: MYRAD

POST BAG No. 16
MYSORE ROAD
BANGALORE 2
TELEPHONE: 2279

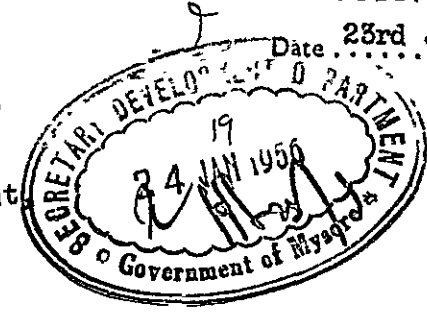
4622/I
24 JAN

Our Ref: A/DS/M-4

Your Ref:

Date 23rd January, 1956.

The Secretary to Government,
Development Department,
Government of Mysore,
Mysore Government Secretariat,
Bangalore 1.



Dear Sir,

SUB: DEFERRED REVENUE EXPENDITURE-
MANUFACTURE OF ENERGY METERS-
WRITE OFF OF:

We invite a kind reference to G.O.I.167-9/Ind.184-54-2, dated 11th April 1955, approving write-off of Deferred Revenue Expenditure amounting to Rs.75,286-1-3 over a period of five years commencing from 1953-54 and to your letter No.I.1896/E1, dated 22nd July 1955 on the same subject, and wish to state that we had proposed in our letter A/DS/M-1, dated 26th June 1954 to write off this amount of Rs.75,286-1-3 over a number of years depending on the production and profit earned by the Section.

During the year 1954-55, the production of meters was stepped up from 47,555 (1953-54) to 79,837 numbers and the number of imported components was gradually reduced with the result that there was savings in the payment of Customs duty also. The Accountant-General, Mysore, Bangalore, has opined that it was not desirable to show such fictitious items on the Balance Sheet and that they should be written off as expeditiously as possible. Keeping this in view and also the proposals made in our letter reference dated 26th June 1954 to write off this Deferred Revenue Expenditure depending on profits earned by the Section,

.....2

(Ref: Letter No.A/DS/M-4 dated 23-1-1956)

the full amount has been written off during the year 1954-55. The working of the Section has resulted in a net profit of Rs.2,00,351/- after writing off this item in full.

In this connection, we wish to state that the Accountant-General, has observed in the report of inspection of accounts of this Section as follows:

PREPAID EXPENDITURE: Rs.75,286-1-3.

The entire amount under prepaid expenditure of Rs.75,286-1-3 has been written off in the accounts of the year. As the original Government Order No.I.167-9/Ind.184-54-2 dated 11th April 1955 contemplates to spread over the write off over a period of years approval of Government is necessary for having written off the entire sum in this year's accounts.

In view of the above we request you kindly to obtain orders of Government approving the action taken for write off of entire amount of Rs.75,286-1-3 during the year 1954-55 instead of over a period of years and communicate the orders early.

Thanking you,

Yours faithfully,
for RADIO & ELECTRICALS MFG.CO.LTD.,

SECRETARY.

Psr.

Read: Dnal. 184-54-4

G.O. No. 9 167-9 Dnal 184-54-2 dated 11-4-1956 approving the write off of the Deferred Revenue Expenditure of Rs 75286-1-3 incurred by the REMCo Ltd for the development of the Energy Meter Scheme & the write off from the year 1953-54 ~~direction that the write off be spread over~~ for a period of 5 years.

Letter No. A/DS/M-4 dated 23-1-56 from the Secretary REMCo stating that the A.G. opined that it was desirable to write off such fictitious expenditure as expeditiously as possible and ~~that the working of the Section Meter Section resulted in a net profit of Rs 2003-2003-54~~ in the year. In view of the good working of the Section for the year 1954-55, the production of the meters having been stepped up from 47555 in the year 1953-54 to 79,837, during the year 1954-55, the working of the Section resulted in a net profit of Rs 2,00,351, after writing off the full amount was written off this item in full stating in this connection that the A.G. has stated approval of Govt is necessary and requesting appvl. of Govt for the action taken by REMCo Ltd for writing off of the entire amount of Rs 75286-1-3 during the year 1954-55.

Order No. I 4552-3/Dnal 184-54-4 Dated 30/4/56

Approved.

for Secy to Govt
Dev Depn

PROCEEDINGS OF THE GOVERNMENT OF MYSORE.

Read:-

Government Order No.I.107-9/Ind.184-54-3 dated 11-4-1956 approving the write off of the Deferred Revenue Expenditure of Rs.75,286-1-3 incurred by the Radio and Electricals Manufacturing Co., Ltd., for the development of the Energy Meter Scheme, the write off being continued from the year 1953-54 for a period of five years.

2. Letter No.A/D3/E-4 dated 23-1-1956 from the Secretary Radio and Electricals Manufacturing Co., Ltd., stating that the Accountant-General, Mysore, Bangalore, opined that it was desirable to write off such fictitious expenditure as expeditiously as possible and in view of the good working of the section for the year 1954-55, the production of the meters having been stepped up from 47,555 in the year 1953-54 to 79,837, the full amount was written off during the year 1954-55, the working of the section having resulted in a net profit of Rs.2,09,351/- after writing off this item in full and requesting approval of Government for the action taken by the Radio and Electricals Manufacturing Co., Ltd., for writing off of the entire amount of Rs.75,286-1-3 (Rupees Seventy Five thousand two hundred and eighty six, anna one and pies three only) during the year 1954-55.

ORDER NO.I. 452-3/and 184-54-4

DATED, BANGALORE, THE 30th APRIL, 1956.

APPROVED.

(K.Khudar Mohiddin)
for Secretary to Government,
Development Department.

To

The Chairman and Managing Director, Radio and Electricals Manufacturing Company Ltd.

The Accountant General, Mysore, Bangalore, through the Finance Department.

PROCEEDINGS OF THE GOVERNMENT OF MYSORE.

Read:-

Government Order No.I.107-2/Ind.184-54-2 dated 11-4-1956 approving the write off of the Deferred Revenue Expenditure of Rs.75,286-1-3 incurred by the Radio and Electricals Manufacturing Co., Ltd., for the development of the Energy Meter Scheme, the write off being continued from the year 1953-54 for a period of five years.

2. Letter No.A/20/55-6 dated 23-1-1956 from the Secretary Radio and Electricals Manufacturing Co., Ltd., stating that the Accountant-General, Mysore, Bangalore, opined that it was desirable to write off such fictitious expenditures as expeditiously as possible and, in view of the good working of the section for the year 1954-55, the production of the meters having been stepped up from 47,650 for the year 1953-54 to 79,637, the full amount was written off during the year 1954-55, the working of the section having resulted in a net profit of Rs.2,00,351/- after writing off this item in full and requesting approval of Government for the action taken by the Radio and Electricals Manufacturing Co., Ltd., for writing off of the entire amount of Rs.75,286-1-3 (Rupees Seventy Five thousand two hundred and eighty six, annas one and pies three only) during the year 1954-55.

ORDER NO.I. 452-3/Ind/84-56-4

DATED, BANGALORE, THE 30th APRIL, 1956.

A P P R O V E D.

(M.Thaher Mohiddin)
for Secretary to Government,
Development Department.

To

The Chairman and Managing Director, Radio and Electricals Manufacturing Company Ltd.

The Accountant General, Mysore, Bangalore, through the Finance Department.